

2007
**RHODE ISLAND GUIDE TO BUYING
MEDICARE
SUPPLEMENT INSURANCE
AND
MEDICARE ADVANTAGE PLANS**

The **RHODE ISLAND GUIDE TO BUYING MEDICARE
SUPPLEMENT INSURANCE AND MEDICARE ADVANTAGE
PLANS** is designed to give you the basic information you need to make
informed choices about your health care coverage.

For additional assistance and counseling, call:

**Rhode Island Department of Elderly Affairs
Customer Information Referral and Assistance
401-462-4000 (Voice) 401-462-0740 (TTY)
www.dea.state.ri.us**

**THE POINT
401-462-4444 (Voice) 401-462-4445 (TTY)
www.ThePointRI.org**

Rhode Island Department of Elderly Affairs
Benjamin Rush-Building 55
35 Howard Avenue
Cranston, RI 02920

Donald L. Carcieri, Governor

Corinne Calise Russo, Director

BACKGROUND ON MEDICARE

Medicare is the nation's health insurance program for people 65 and older, and younger people who are disabled or who have end stage renal disease. Medicare consists of four parts—Part A (Hospital Insurance), Part B (Medical Insurance), Part C (Medicare Advantage Insurance Plans) and Medicare Part D (Medicare Prescription Drug Plans). Almost all persons over age 65 are automatically entitled to Medicare Part A if they or their spouse are eligible for Social Security or Railroad Retirement.

Part A covers inpatient hospital care, skilled nursing facility, home health and hospice care. Part B is optional insurance that complements Part A coverage. Part B covers physician services, outpatient hospital services, home health, durable medical equipment, laboratory and x-rays, ambulance and other services.

In most cases, there's no cost for Part A; however it requires cost sharing, such as deductibles and coinsurance. Those who enroll in Part B pay a monthly premium, as well as 20% of most fees after meeting an annual deductible.

Medicare beneficiaries can choose to get their coverage through traditional, fee-for-service Medicare, or through Medicare Advantage plans. Medicare pays these plans a set fee for each member to cover all Medicare services. Generally, members of Medicare Advantage Plans agree to receive all covered services through the plan's network of providers or by referrals made through the plan. Beneficiaries can also choose additional coverage by purchasing a Medicare supplement insurance plan.

New Medicare beneficiaries are eligible to receive a *Welcome to Medicare* physical within six months of the date that their Part B coverage becomes effective. Medicare also offers certain preventive health services such as bone mass measurement, certain types of cancer screenings, glaucoma testing, and diabetes screening. For more information call Medicare at **1-800-MEDICARE (1-800-633-4227)** or go to **www.medicare.gov**.

Medicare beneficiaries can also learn more about their health care or create a personal health care profile by logging on to the **My Health. My Medicare** link on the Medicare web site.

Medicare and Medicaid fraud, waste, abuse and healthcare billing errors impact everyone. They contribute to the rising cost of healthcare and diminish the quality of healthcare.

Fraud is when an individual or organization deliberately deceives Medicare or Medicaid to get money they are not entitled to. Fraud usually involves billing for services that are not provided or billing for services at a higher than normal rate. Abuse is when goods and services are provided that are medically unnecessary or that do not meet medical standards.

The Rhode Island SMP is a program designed to help persons with Medicare get the most out of their healthcare and learn how to report fraud, waste, and abuse. For information on Rhode Island SMP, call **462-0560**.

Q. *What is Medicare supplement insurance?*

A. Medicare supplement insurance is private health insurance designed to supplement Medicare benefits to pay some of the deductibles, co-payments and other expenses Medicare does not pay. You must understand Medicare before you can understand Medicare supplement insurance. Call **1-800-MEDICARE (1-800-633-4227)** for a free copy of *Medicare and You 2007*. The more familiar you are with Medicare, the easier it will be to comprehend Medicare supplement insurance.

Q. *What are some of the expenses Medicare does not cover?*

A. Generally speaking, there are five costs not covered by Medicare Part A (Hospital Insurance) and Medicare Part B (Medical Insurance).

1. If you are admitted to the hospital, you must pay the first \$992 (Part A deductible) for days 1-60 of a hospital stay. You are also responsible for paying \$248 daily for days 61 through 90 of a hospital stay and \$496 daily for Lifetime Reserve Days 91 through 150. You are responsible for all costs after day 150.
2. If you need skilled nursing or rehabilitation in a skilled nursing facility, you must pay \$124 daily from days 21 through 100 of a covered stay in a skilled nursing facility.
3. You have to pay the first \$131 a year (Part B deductible) for the allowable cost of medical services such as doctors' office visits, surgery, anesthesia, out-of-hospital x-rays and lab tests, durable medical equipment, prosthetic devices, ambulance transportation, chiropractic services, and hospital outpatient and accident room services.
4. You have to pay 20% (Part B co-insurance) of the approved charges for these medical services after you pay the \$131 deductible.
5. Medical expenses not covered by Medicare:
 - Hearing aids and eyeglasses
 - Personal or custodial care in nursing homes
 - Cost of medical services above what Medicare says is allowable
 - Routine dental care
 - Out-of-hospital prescription drugs
 - Private duty nursing and homemaker service
 - First three pints of blood (if not replaced).

NOTE: The deductible and co-payment amounts stated above apply to services received in 2007. They are subject to change each year.

Q. *What is the difference between Medicare and Medicaid?*

A. Generally, Medicare is a federal health insurance program for people 65 or older, or who have received Social Security disability for 24 months or who have kidney failure. Medicaid (Medical Assistance) is a federal-state program for medical care for low-income people who have limited resources.

In Rhode Island, if you're 65 or older, or blind, or disabled with a gross monthly income of less than \$850.83 and less than \$4,000 in resources, you may qualify for Medical Assistance.

A couple must have less than \$1,140.83 a month in income and less than \$6,000 in savings to qualify for Medical Assistance. Sometimes, those who meet the resource limits who have high medical expenses can also qualify. Medicare and Medical Assistance will pay almost all your medical bills with just a few exceptions. If you are eligible, you don't need any other health insurance policy. You will need coverage for prescription drugs. Apply at your local Department of Human Services office. Call the Department of Elderly Affairs at **462-4000 (Voice)** or **462-0740 (TTY)** for additional assistance.

Q. *I've heard about programs called QMB and SLMB. What are they about?*

A. The Qualified Medicare Beneficiary (QMB) and Specified Low-Income Medicare Beneficiary (SLMB) programs provide for the state to pay the Medicare medical insurance premiums for limited income persons with few cash resources.

Under QMB, the state pays both the Part A (if necessary) premium and the Part B premium of \$93.50 per month in 2007. Individuals must have a gross monthly income under \$850.83 to qualify for QMB. Couples must have income less than \$1,140.83. Anyone who qualifies for QMB also qualifies for Medical Assistance.

Individuals eligible for SLMB must have a monthly income below \$1,021. Married couples must have incomes below \$1,369. SLMB pays the Medicare medical insurance premium.

Two other programs also help pay Medicare premiums. The Qualifying Individuals-1 (QI-1) program pays the Part B premium for those with incomes under \$1,148.63 per month. Married couples may qualify if their monthly income does not exceed \$1,540.13.

The same resource test applies for all of these programs-\$4,000 for an individual and \$6,000 for married couples.

Be careful when applying for SLMB if you are already enrolled in, or are applying for, Medical Assistance. The additional income you get in your Social Security check by the state paying your Medicare premiums might affect your eligibility for Medical Assistance. Applications for these programs can be filed at the local office of the Department of Human Services.

Q. *What if I do not qualify for Medical Assistance?*

A. The safest course is to choose one Medicare supplement insurance policy or a Medicare Advantage plan that's best for you. Medicare supplement insurance policies are stated in terms of Medicare's deductibles and co-payment amounts, rather than in terms of fixed benefit amounts.

Q. *How many Medicare supplement plans are there?*

A. In Rhode Island, insurers may offer one or several of the standard Medicare supplement plans. These standard plans include a basic policy (Plan A) which provides a core benefit package. Each of the other plans has a different combination of additional benefits (and a different letter designation), but they all include the core package. Insurers may not change the combination of benefits in any of the standard policies, or change the plan letter designations. This means that any insurer offering Plan C, for example, is offering the exact same combination of benefits as every other insurer that sells Plan C.

If you get supplemental coverage through a former employer, or a union, it may give you a few extra benefits.

No matter which choice you make in supplemental insurance, don't think that all your health care bills will be covered by Medicare and your Medicare supplemental insurance. They won't. Some costs will still be left for you to pay out-of-pocket.

Q. *When can I sign up for Medicare supplement insurance?*

A. Federal law guarantees those 65 and older the opportunity to enroll in Medicare supplement plans for six months immediately following enrollment in Medicare medical insurance (Part B).

This is a very important opportunity. At open enrollment, you may enroll in any of the Medicare supplement plans that are offered regardless of any existing medical problems you have. Please note that insurers can no longer offer plans H, I, and J to new subscribers. Those who elect to stay in these plan options can do so, but they must realize that these options are not "creditable coverage" under the Medicare Prescription Drug Program (Medicare Part D). Medicare Part D is discussed in more detail later on in this booklet.

Insurers may require a health screen before granting coverage for **any** Medigap plan once the initial six-month enrollment period ends. Insurers are permitted to apply a pre-existing condition clause up to the first six months of the policy.

Medicare supplement insurance regulations allow you to switch from an equivalent plan (C to C, E to E, etc.) without having to endure another exclusion for pre-existing illness period under the new policy if you have already satisfied one under the former policy.

Q. *How much do Medicare supplements cost?*

A. Depending on the plan you choose, a Medicare supplement insurance policy cost can range from approximately \$1,000 to several thousands of dollars a year. The prices quoted in this booklet apply to Medicare beneficiaries age 65 and older. *Most plans are NOT available to beneficiaries under 65. When they are available, the cost is sometimes more.*

Q. *Should I get a Medicare supplement?*

A. You could. Or you could choose to enroll in a Medicare Advantage plan (cost and coverage are listed in this booklet), or you could choose to pay “out-of-pocket” for expenses not paid by Medicare by not enrolling in either a supplemental or Medicare Advantage plan. When you make the latter choice, you assume the financial risk for all other hospital and medical expenses not paid by Medicare. You pay “out-of-pocket” for anything not covered by Medicare. A healthy Medicare beneficiary who has not been hospitalized in the past several years and who seldom needs medical care would be a better candidate to decline Medicare supplement insurance than a person who is under regular medical care, is likely to be hospitalized and who is taking prescriptions for a variety of illnesses.

Q. *Exactly what is assignment?*

A. Assignment means that the doctor or other medical supplier receives the payment directly from Medicare and agrees to accept the amount that Medicare approves for covered services.

The doctor may only charge the patient (or the patient’s insurance) for any of the \$131 deductible that has not been met and 20 percent coinsurance. Doctors or suppliers who participate in Medicare have agreed to accept assignment on all Medicare claims. Rhode Island Assignment Law 5-37-5.1 prohibits *physicians* from charging Medicare beneficiaries more than the amount of money that Medicare approves for covered services.

Q. *What is the difference between “issue age” and “attained age”?*

A. In the rate charts found in this booklet, you will see that some insurance companies charge different rates depending on the age of their customers.

Issue age means that your initial premium is based on your age when you buy your policy. Your rate will not increase because you get older. It will increase only if the company receives approval for a rate increase for all Rhode Island policyholders.

Attained age also means that your initial premium is based on your age when you buy the policy. However, your rate is subject to automatic increases as you get older. In addition, the rate may increase if the insurance company receives approval for a rate increase for all Rhode Island policyholders.

Community rated means that the premium is the same, regardless of age.

Q. *Are there any other hints on how to buy a good Medicare supplement?*

A. Deductibles aren't necessarily bad. True, a deductible means that you pay a certain amount yourself before your insurance pays anything. But, by not providing *first dollar* coverage, a company can charge you a lower premium. Be aware of the treatment of pre-existing conditions, or sicknesses or injuries you have at the time of buying the coverage. Federal law allows a maximum of six months pre-existing condition exclusion on Medicare supplement plans. Also, you may switch from one Medicare supplement plan to another without facing a pre-existing condition exclusion if you satisfied the exclusion under your prior policy. Not all policies are available to everyone. Some policies require that you belong to a national senior organization; some have periodic open enrollment. Federal law allows you a 30-day *free look* at Medicare supplement policies. If you return the policy within 30 days, the insurance company must refund your money. Buy from a company licensed in Rhode Island. If you buy from a Rhode Island-licensed company and you subsequently have a problem, the Department of Business Regulation (DBR) may be able to offer you assistance. Their telephone number is **222-2223**. If the company is not licensed in Rhode Island, there is less that DBR can do on your behalf. All companies listed in this guide are licensed in Rhode Island.

Q. *Do I have other options?*

A. Employers with 20 or more employees must offer their workers 65 and older the same health benefits as they offer to their younger employees. Keeping this employer-sponsored coverage is usually the best option available for older workers and their dependents. Workers and their spouses who are covered by good employer-sponsored medical insurance do not need to buy Medicare Medical Insurance (Part B), which costs \$93.50 monthly in 2007. When they are no longer working, or their spouse stops working, they may buy Medicare Medical Insurance at its current base rate immediately. Delayed enrollment in Medicare Part B until it is truly needed preserves your rights to your initial Medigap enrollment period.

Q. *What can you tell me about Medicare Advantage care plans?*

A. You may authorize Medicare to pay a Medicare Advantage care plan to cover your health care bills for you. These plans offer comprehensive, coordinated medical services by health care professionals and facilities that are part of their plans. More information about these plans is provided in this booklet.

Q. *Can anyone help me sort through my health insurance options?*

A. The Rhode Island Department of Elderly Affairs has several options to help answer your questions or problems relating to medical coverage in your later years. Trained volunteer Senior Health Insurance Program (SHIP) counselors can help you understand the difference between supplemental insurance and Medicare Advantage organizations, the difference in coverage among standard Medicare supplement plans, Medicare prescription drug plans (Medicare Part D) and other programs that help to pay for prescription medications and other matters pertaining to health insurance and paying for medical care.

To contact a SHIP volunteer in your area, call your local area listed below:

Barrington Senior Center (247-1926)
Central Falls: Ralph J. Holden Center (728-7300)
Coventry Senior Center (822-9175)
Cranston Senior Services (461-1000)
East Providence Senior Center (435-7800)
Johnston Senior Center (944-3343)
Lincoln Senior Center (724-2000)
North Kingstown Senior Center (268-1590)
Newport: Child and Family Services (848-4185)
North Providence: Salvatore Mancini Center (231-0742)
Pawtucket: Leon Mathieu Senior Center (728-7582)
Portsmouth Senior Center (683-4106)
Providence:
 CHisPA. (467-0111)
 Crossroads RI (521-2255)
 DaVinci Center (272-7474)
 Diocese of Providence (421-7833)
 Federal Hill House (421-4722)
 Jewish Seniors Agency (621-5374)
 Meals on Wheels of RI (351-6700)
 SEDC (274-8811)
 St. Martin dePorres Center (274-6783)
 Westminster Senior Center (274-6900)
South Kingstown: The Center (789-0268)
Tiverton Senior Center (625-6790)
Warwick: Pilgrim Senior Center (463-3474)
Westerly Senior Center (596-2404)
West Warwick Senior Center (822-4450)
Woonsocket RSVP (766-2300)

Other healthcare insurance resources include:

The DEA Customer Information Referral and Assistance Unit also provides information, counseling and assistance regarding health insurance issues, Call **462-4000 (Voice)** or **462-0740 (TTY)**. Information, counseling and assistance can also be obtained by calling THE POINT at **462-4444 (Voice)** or **462-4445 (TTY)**.

A note about rates...Insurance rates are subject to increase in future years based on changes in Medicare deductible amounts, higher cost of medical services, increased utilization of medical services, and other forces which drive health care costs. The rates on the following pages for Medicare supplemental insurance plans are listed for persons at age 65, 70, 75, and 80. You may contact companies individually for those *in-between* rates, if applicable. Ask about any discounts available for payment in advance, pre-authorized withdrawal from your savings or checking accounts, e-mail payments, husband/wife coverage, or any other preferred rates a company may offer.

MEDICARE PART A BENEFITS

Services	Benefit	Medicare Pays	You Pay*
HOSPITALIZATION: Semiprivate room and board, general nursing and other hospital services and supplies	First 60 days	All but \$992	\$992
	61st to 90th day	All but \$248/day	\$248/day
	91st to 150th day**	All but \$496/day	\$496/day
	Beyond 150 days	Nothing	All costs
SKILLED NURSING FACILITY CARE: Semiprivate room and board, skilled nursing and rehabilitative services and other services and supplies	First 20 days	100% of approved amount	Nothing
	Additional 80 days	All but \$124/day	Up to \$124/day
	Beyond 100 days	Nothing	All costs
HOME HEALTH CARE: Part-time or intermittent skilled care, home health aide services, durable medical equipment and supplies and other services	Unlimited as long as you meet Medicare conditions	100% of approved amount; 80% of approved amount for durable medical equipment	Nothing for services; 20% of approved amount for durable medical equipment
HOSPICE CARE: Pain relief, symptom management and support services for the terminally ill	For as long as the doctor certifies need	All but limited costs for outpatient drugs and inpatient respite care	Limited costs for outpatient drugs and inpatient respite care
BLOOD: When furnished by a hospital or skilled nursing facility during a covered stay	Unlimited if medically necessary	All but the first three pints per calendar year	For first three pints***

For more information on Part A and Part B benefits, consult your *Medicare and You 2007* handbook.

MEDICARE PART B BENEFITS

Services	Benefit	Medicare Pays	You Pay*
MEDICARE EXPENSES: Doctors' services, inpatient outpatient medical and surgical services and supplies, physical and speech therapy, diagnostic tests, durable medical equipment and other services	Unlimited if medically necessary	80% of approved amount (after \$131 deductible) Reduced to 50% for most outpatient mental health services	\$131 deductible, plus 20% of approved amount and limited charges above approved amount
CLINICAL LABORATORY SERVICES: Blood tests, urinalyses, and more	Unlimited if medically necessary	Generally 100% of approved amount	Nothing for services
HOME HEALTH CARE: Part-time or intermittent skilled care, home health aide services, durable medical equipment and supplies and other services	Unlimited as long as you meet Medicare conditions	100% of approved amount; 80% of approved amount for durable medical equipment	Nothing for services; 20% of approved amount for durable medical equipment
OUTPATIENT HOSPITAL TREATMENT: Services for the diagnosis or treatment of injury or illness	Unlimited if medically necessary	Medicare payment to hospital based on cost	20% of whatever the hospital charges (after \$131 deductible)
BLOOD	Unlimited if medically necessary	80% of approved amount (after \$131 deductible and starting with the fourth pint)	First three pints, plus 20% of approved amount for additional pints (after \$131 deductible)
AMBULATORY SURGICAL SERVICES	Unlimited if medically necessary	80% or pre-determined amount (after \$124 deductible)	\$131 deductible, plus 20% of pre-determined amount

Part B monthly premium is 93.50 per month in 2007. It may be higher if you enroll late.

Either you or your insurance company is responsible for paying the amounts in the *You Pay* column. **Blood paid for or replaced under Part A of Medicare during the calendar year does not have to be paid for or replaced under Part B.**

HIGHLIGHTS OF BENEFITS OFFERED IN STANDARD MEDICARE SUPPLEMENT PLANS

Basic benefits:

- Coverage of the Part A coinsurance amount of \$248 daily for days 61 through 90 of hospitalization in each benefit period
- Coverage of the Part A coinsurance amount of \$496 daily for each of *Medicare's Lifetime Reserve* days
- Up to an additional 365 days of in-patient hospital care during the policy holder's lifetime
- The first three pints of blood per year
- Coverage of the 20 percent coinsurance amount under Medicare Part B after the annual \$131 deductible is met.

Part A deductible:

- Coverage of the \$992 Medicare Part A in-patient hospital deductible.

Part B deductible:

- Coverage of the \$131 calendar year deductible under Medicare Part B.

Part B excess:

- Pays either 80 percent or 100 percent of the difference between the amount Medicare approves and the amount a physician is able to charge.

NOTE: Rhode Island state law prohibits *physicians* from collecting more than Medicare approves.

Skilled nursing coinsurance:

- Coverage of the skilled nursing facility care coinsurance of \$124 per day for day 21 through day 100.

Foreign travel emergency:

- Coverage for medically necessary emergency care in a foreign country.

Home health care:

- Pays for reasonable and necessary intermittent skilled nursing care and home health aide services, as well as physical therapy, occupational therapy, and speech therapy that are ordered by a doctor and provided by a Medicare-approved agency. Also includes medical social services, durable medical equipment, medical supplies, and other services.

Preventive care:

- Pays for diabetes screening, certain cancer screenings, flu and pneumonia shots, bone mass measurements, mammograms, and glaucoma, and other preventive services.

Age 65: 2007 Monthly Premiums for Medicare Supplement Plans

Company	Prem.	A	B	C	D	E	F	G	H	I	J	K	L
AARP Health Care Options 800-523-5800	C	\$76* \$113** \$113***	\$101 149 149	116 171 171	107 158 158	107 158 158	116 172 172	108 159 159	118 174 174	119 176 176	134 198 198	51 76 76	70 104 104
Bankers Life/ Casualty 800-621-3724	A	\$90	141	190	143	141	125	112			127	65	86
Blue Cross/ Blue Shield of RI 351-BLUE (2583)	C	\$117		183									
Continental General 800-284-2898	A	\$165F \$184M	142F 158M	191F 213M	143F 159M	102F 113M	151F 169M	143F 159M					
Mutual of Omaha 800-368-0302	A	\$114F \$131M		139F 160M	128F 147M		141F 162M						
USAA Life 800-531-8000	A	\$101NS \$110S						\$132NS \$145S					

Notes: Premiums are rounded off to the nearest dollar. Community-rated © means premium is the same for all ages. Issue age (I) means premium is based on age when you first bought the policy. Attained age (A) means premium automatically increases as you age.

F=female. M=male. NT=Non-tobacco user. T=Tobacco user.

*Monthly premium for persons 65 or older applying for coverage within 3 years of Medicare Part B effective date or 65th birthday.

**Monthly premium for persons applying for coverage more than 3 years after 65th birthday or Part B effective date. Medical underwriting applies.

***Rates for persons under 65 who meet underwriting requirements.

PLEASE NOTE: Rates provided by AARP for their Health Care Options plan are for the FIRST YEAR ONLY at a 20 percent discount. Rates will increase after the first year.

Age 70: 2007 Monthly Premiums for Medicare Supplement Plans

Company	Prem.	A	B	C	D	E	F	G	H	I	J	K	L
AARP Health Care Options 800-523-5800	C	\$76* \$113** \$113***	\$101 149 149	116 171 171	107 158 158	107 158 158	116 172 172	108 159 159	118 174 174	119 176 176	134 198 198	51 76 76	70 104 104
Bankers Life/ Casualty 800-621-3724	A	\$102	166	223	171	168	151	132			157	80	106
Blue Cross/ Blue Shield of RI 351-BLUE (2583)	C	\$117		183									
Continental General 800-284-2898	A	\$199F \$222M	172F 191M	231F 258M	173F 193M	123F 137M	183F 204M	183F 193M					
Mutual of Omaha 800-368-0302	A	\$136F 156M		165F 190M	151F 174M		167F 193M						
USAA Life 800-531-8000	A	\$120NS \$131S						\$146NS \$160S					

Notes: Premiums are rounded off to the nearest dollar. Community-rated © means premium is the same for all ages. Issue age (I) means premium is based on age when you first bought the policy. Attained age (A) means premium automatically increases as you age.

F=female. M=male. NT=Non-tobacco user. T=Tobacco user.

*Monthly premium for persons 65 or older applying for coverage within 3 years of Medicare Part B effective date or 65th birthday.

**Monthly premium for persons applying for coverage more than 3 years after 65th birthday or Part B effective date. Medical underwriting applies.

***Rates for persons under 65 who meet underwriting requirements.

PLEASE NOTE: Rates provided by AARP for their Health Care Options plan are for the FIRST YEAR ONLY at a 20 percent discount. Rates will increase after the first year.

Age 75: 2007 Monthly Premiums for Medicare Supplement Plans

Company	Prem.	A	B	C	D	E	F	G	H	I	J	K	L
AARP Health Care Options 800-523-5800	C	\$76* \$113** \$113***	\$101 149 149	116 171 171	107 158 158	107 158 158	116 172 172	108 159 159	118 174 174	119 176 176	134 198 198	51 76 76	70 104 104
Bankers Life/ Casualty 800-621-3724	A	\$119	200	269	211	203	184	170			193	99	131
Blue Cross/ Blue Shield of RI 351-BLUE (2583)	C	\$117		183									
Continental General 800-284-2898	A	\$230F \$256M	198F 220M	266F 296M	199F 222M	142F 158M	211F 235M	199F 222M					
Mutual of Omaha 800-368-0302	A	\$158F 181M		192F 221M	176F 202M		195F 224M						
USAA Life 800-531-8000	A	\$120NS \$131S						\$146NS \$160S					

Notes: Premiums are rounded off to the nearest dollar. Community-rated © means premium is the same for all ages. Issue age (I) means premium is based on age when you first bought the policy. Attained age (A) means premium automatically increases as you age.

F=female. M=male. NT=Non-tobacco user. T=Tobacco user.

*Monthly premium for persons 65 or older applying for coverage within 3 years of Medicare Part B effective date or 65th birthday.

**Monthly premium for persons applying for coverage more than 3 years after 65th birthday or Part B effective date. Medical underwriting applies.

***Rates for persons under 65 who meet underwriting requirements.

PLEASE NOTE: Rates provided by AARP for their Health Care Options plan are for the FIRST YEAR ONLY at a 20 percent discount. Rates will increase after the first year.

Age 80: 2007 Monthly Premiums for Medicare Supplement Plans

Company	Prem.	A	B	C	D	E	F	G	H	I	J	K	L
AARP Health Care Options 800-523-5800	C	\$76* \$113** \$113***	\$101 149 149	116 171 171	107 158 158	107 158 158	116 172 172	108 159 159	118 174 174	119 176 176	134 198 198	51 76 76	70 104 104
Bankers Life/ Casualty 800-621-3724	A	\$141	244	330	263	251	225	212			241	123	163
Blue Cross/ Blue Shield of RI 351-BLUE (2583)	C	\$117		183									
Continental General 800-284-2898	A	\$252F \$281M	217F 241M	291F 325M	218F 243M	155F 173M	231F 258M	218F 243M					
Mutual of Omaha 800-368-0302	A	\$182F 209M		221F 254M	203F 233M		224F 258M						
USAA Life 800-531-8000	A	\$127NS \$139S						\$167NS \$183S					

Notes: Premiums are rounded off to the nearest dollar. Community-rated (C) means premium is the same for all ages. Issue age (I) means premium is based on age when you first bought the policy.

Attained age (A) means premium automatically increases as you age.

F=female. M=male. NT=Non-tobacco user. T-Tobacco user.

*Monthly premium for persons 65 or older applying for coverage within 3 years of Medicare Part B effective date or 65th birthday.

**Monthly premium for persons applying for coverage more than 3 years after 65th birthday or Part B effective date. Medical underwriting applies.

***Rates for persons under 65 who meet underwriting requirements.

PLEASE NOTE: Rates provided by AARP for their Health Care Options plan are for the FIRST YEAR ONLY at a 20 percent discount. Rates will increase after the first year.

MEDICARE ADVANTAGE CARE PLANS

Medicare Advantage Plans, sometimes referred to as Health Maintenance Organizations (HMOs), provide health care services through their network of hospitals, skilled care facilities, doctors, home care agencies, durable medical equipment suppliers, laboratories, pharmacies, and other providers.

Q. How do I enroll in a Medicare Advantage plan?

A. To enroll in a Medicare Advantage care plan, you must:

1. Be enrolled in Medicare Parts A and B; *and*
2. Live within the area in which the plan provides services; *and*
3. Cannot be medically determined to have end-stage renal disease (ESRD). If you develop ESRD after you are a member, you may continue to be a member and receive the necessary services through the plan; *and*
4. Sign up during your initial enrollment period (three months immediately before the month your Medicare A and B became effective); during November of any year; during a special enrollment period; or if you move out of your current plan's service area into another area which has a Medicare managed care plan.

Q. What should I know about Medicare Advantage plans?

A. Anyone thinking of joining such a plan should understand:

1. You must use the plan's providers and facilities to minimize your out-of-pocket financial liability. You are not free to go to any physician, hospital, or other provider you choose.
2. You must choose a primary care physician and in some cases, you must receive prior approval of your primary care physician to see a specialist, have surgery, or obtain equipment or other medical services.
3. It can take up to 30 days to enroll or disenroll.

Before joining a Medicare Advantage plan, be sure to read the plan's membership materials carefully. Make sure you understand your rights and obligations as well as the benefits of the plan. Get information about the hospitals, doctors, facilities, and providers which the plan uses and the ones it does not. If you travel, or live part of the year in another state, find out about how this will affect your coverage.

Q. Tell me about Rhode Island Medicare Advantage plans.

A. Medicare Advantage plans in Rhode Island are available to beneficiaries both over and under 65 years of age. You must continue to pay the Medicare Part B premium (\$93.50) per month in 2007).

Medicare Advantage plans cover all services that Medicare Part A and B provide. They all offer extensive coverage for medical and surgical care, lab tests and x-rays, diagnostic tests and treatments, therapies, inpatient hospital care, skilled nursing facility care, home health care, and other medical services.

In addition, they offer extra benefits. Some plans charge a monthly premium; some do not. Plans require certain co-payments. Rates for plans do not vary according to age. None of the plans apply an exclusion for pre-existing illness.

On the next few pages, we list the Medicare Advantage plans in Rhode Island and several points of coverage comparison.

NOTE: For complete information about the cost, coverage, and limitations under each plan, call the provider directly.

RHODE ISLAND MANAGED CARE PLANS-2007

BlueCHip for Medicare
444 Westminster Street
Providence, RI 02903

351-BLUE (2583)
1-800-505-2583
1-877-232-8432 (TTY)

BlueCHip for Medicare-STANDARD

Premium: \$0. You continue to pay \$93.50 per month for Medicare Part B premium.

Benefit	Consumer Costs
Inpatient Hospital Care	\$300 per day. Annual out-of-pocket maximum of \$3,000 applies.
Hospital Emergency	\$50 co-payment if not admitted within 24 hours.
Office Visits/Routine Physicals	\$10 per office visit for primary care physician. \$25 for specialists.
X-Rays/Diagnostic Tests/Lab Services	No co-payment for Medicare-covered services such as clinical lab services, clinical/diagnostic lab services, or radiation therapy. There is a \$125 co-payment for an MRI or CAT scan.
Prescription Drugs	In general, you pay 100% for most prescription drugs.
Ambulance Services	\$100 co-payment for Medicare-covered ambulance services.
Durable Medical Equipment	20% coinsurance for cost of each Medicare-covered item.
Skilled Nursing Facility	\$100 per day. Annual out-of-pocket maximum of \$3,000 applies.
Hearing/Vision	No coverage.
Annual Out-of-pocket Maximum	Applies to inpatient hospital, inpatient mental health and skilled nursing facility services combined.

RHODE ISLAND MANAGED CARE PLANS-2007

BlueCHip for Medicare

444 Westminster Street

Providence, RI 02903

351-BLUE (2583)

1-800-505-2583

1-877-232-8432 (TTY)

BlueCHip for Medicare-STANDARD WITH MEDICARE PART D

Premium: \$14.90 per month. You continue to pay \$93.50 per month for Medicare Part B premium.

Benefit	Consumer Costs
Inpatient Hospital Care	\$300 per day. Annual out-of-pocket maximum of \$3,000 applies.
Hospital Emergency	\$50 co-payment if not admitted within 24 hours.
Office Visits/Routine Physicals	\$10 per office visit for primary care physician. \$25 for specialists.
X-Rays/Diagnostic Tests/Lab Services	No co-payment for Medicare-covered services such as clinical lab services, clinical/diagnostic lab services, or radiation therapy. There is a \$125 co-payment for an MRI or CAT scan.
Prescription Drugs	No deductible. You pay a \$10 co-payment for generic; \$30 preferred; \$61 preferred brand. 25% for injectables. No coverage in the coverage gap. After yearly total out-of-pocket expense of \$3,850, Part D catastrophic provision applies.
Ambulance Services	\$100 co-payment for Medicare-covered ambulance services.
Durable Medical Equipment	20% coinsurance for cost of each Medicare-covered item.
Skilled Nursing Facility	\$100 per day. \$3,000 out-of-pocket maximum applies.
Hearing/Vision	No coverage.
Annual Out-of-pocket Maximum	Applies to inpatient hospital, inpatient mental health and skilled nursing facility services combined.

RHODE ISLAND MANAGED CARE PLANS-2007

BlueCHip for Medicare

444 Westminster Street

Providence, RI 02903

351-BLUE (2583)

1-800-505-2583

1-877-232-8432 (TTY)

BlueCHip for Medicare PLUS WITH MEDICARE PART D

Premium: \$89 per month. You continue to pay \$93.50 per month for Medicare Part B premium.

Benefit	Consumer Costs
Inpatient Hospital Care	\$200 per day. Annual out-of-pocket maximum of \$2,000 applies.
Hospital Emergency	\$50 co-payment if not admitted within 24 hours.
Office Visits/Routine Physicals	\$10 per office visit for primary care physician. \$25 for specialists.
X-Rays/Diagnostic Tests/Lab Services	No co-payment for Medicare-covered services such as clinical lab services, clinical/diagnostic lab services, or radiation therapy. There is a \$100 co-payment for an MRI or CAT scan.
Prescription Drugs	No deductible. When your total yearly drug costs reach \$2,400, you pay an \$8 co-payment for generic; \$24 for preferred; \$54 non-preferred brand; 25% injectables. No coverage in gap. After \$3,850 in annual total- out-of-pocket expenses, Medicare Part D catastrophic provisions apply
Ambulance Services	\$100 co-payment for Medicare-covered ambulance services.
Durable Medical Equipment	20% coinsurance for cost of each Medicare-covered item.
Skilled Nursing Facility	\$75 per day Annual out-of-pocket of \$2,000 applies.
Hearing/Vision	Vision Hardware- \$70 per year. \$25 for exams Hearing-No coverage.
Annual Out-of-pocket Maximum	Applies to inpatient hospital, inpatient mental health and skilled nursing facility services combined.

RHODE ISLAND MANAGED CARE PLANS-2007

BlueCHip for Medicare
444 Westminster Street
Providence, RI 02903

351-BLUE (2583)
1-800-505-2583
1-877-232-8432 (TTY)

BlueCHip for Medicare PREFERRED WITH MEDICARE PART D

Premium: \$172 per month. You continue to pay \$93.50 per month for Medicare Part B premium.

Benefit	Consumer Costs
Inpatient Hospital Care	\$75 per day. Annual out-of-pocket maximum of \$750 applies.
Hospital Emergency	\$50 co-payment if not admitted within 24 hours.
Office Visits/Routine Physicals	\$10 per office visit for primary care physician. \$25 for specialists.
X-Rays/Diagnostic Tests/Lab Services	No co-payment for Medicare-covered services such as clinical lab services, clinical/diagnostic lab services, or radiation therapy. There is a \$75 co-payment for an MRI or CAT scan.
Prescription Drugs	No deductible. When your total yearly drug costs reach \$2,400, you pay an \$8 co-payment for generics; \$20 for preferred and \$50 for non brand preferred; 25% for injectables. You pay \$8 for generics only, in the coverage gap. After you have reached the total annual out-of-pocket maximum of \$3,850, Part D catastrophic provisions apply. .
Ambulance Services	\$75 co-payment for Medicare-covered ambulance services.
Durable Medical Equipment	20% coinsurance.
Skilled Nursing Facility	\$50 per day Annual out-of-pocket maximum of \$750 applies.
Hearing/Eye Exams	\$70 per year for vision hardware and \$500 every three years for hearing aids. \$25 for exams.
Annual Out-of-pocket Maximum	Applies to inpatient hospital, inpatient mental health and skilled nursing facility services combined.

BlueCHip for Medicare Optima Plan**444 Westminster Street****Providence, RI 02903****351-BLUE (2583)****1-800-505-2583****1-877-232-8432 (TTY)**

Individuals must have Medicare A and B and be enrolled in Medical Assistance to qualify for this plan.

Plan Premium: \$0

- Enhanced benefits for Medicare/Medicaid eligible individuals in Rhode Island.
- Extensive provider network throughout the state.

Alliance with Neighborhood Health Plan:

- Skilled care managers are available to help members get appointments, services, transportation, interpreters, etc.

Comprehensive Coverage:

- Includes annual physical and immunizations-\$0 co-pay.
- Complete hospital coverage-\$0 co-pay
- No Medicare Part A or B deductibles.
- Office visits (primary care or specialist)-\$0 co-pay.
- Complete emergency/urgent care, away from home coverage-\$0 co-pay.
- X-rays, diagnostic tests, lab services-\$0 co-pay.
- Ambulance-\$0 co-pay.
- Durable medical equipment-\$0 co-pay.
- Skilled nursing facility-\$0 co-pay for days 1-100. No prior hospital stay required.
- Hearing and eye exams-\$0 co-pay.

Unlimited Prescription Coverage:

- Based on income status:
 - \$0 for generic or \$5.35 for brand co-payments.
- All co-payments are for a 30-day supply in a network pharmacy or 90-day mail order.
- If you are institutionalized, there is \$0 co-pay for Medicare Part D drugs.

Enhanced Vision, Dental, Chiropractic and Podiatry Services:**Hearing Aids:**

- Up to \$1,200 coverage towards hearing aids every three years.

MEDICARE SELECT

Medicare SELECT policies are the same as standard Medicare supplement policies in nearly all respects. The only difference is that each Medicare SELECT insurer has certain hospitals you must use in order to receive full benefits. Medicare SELECT premiums are lower because of this requirement.

When you go to an insurer's *network hospitals*, Medicare pays its share of the covered services and the supplemental plan pays to the limit of its coverage. SELECT plans also supply the Medicare-eligible services needed,

Medicare will still pay its share of approved charges if you go to out-of-state non-participating providers. You are responsible for deductibles and co-payments for non-urgent care.

Medicare SELECT plans in Rhode Island:

Blue Cross/Blue Shield of Rhode Island

351-BLUE (2583)

Plan C:\$156 per month.

Plan L: \$101

Policy notes: Blue Cross/Blue Shield of Rhode Island Medicare SELECT Plan is available to persons with disabilities and to new subscribers.

All general hospitals in Rhode Island participate in Blue Cross/Blue Shield of Rhode Island Medicare SELECT. You may visit any federal Medicare participating provider for all other Medicare supplement covered services.

To enroll in Blue Cross/Blue Shield of Rhode Island Medicare SELECT, you must either pass a health screen during open enrollment, or sign up within the first six months of enrolling in Medicare Part B (the initial Medicare supplement enrollment period).

RHODE ISLAND MEDICARE MANAGED CARE PLANS-2007

UnitedHealthcare of New England, Inc.

475 Kilvert Street

Warwick, RI 02886

401-737-6900

1-800-962-8251 (Sales/Enrollment)

1-800-685-8480 (TTY)

AARP Medicare Complete by UnitedHealthcare

Premium: \$0. You continue to pay \$93.50 per month for Medicare Part B premium.

Benefit	Consumer Costs
Inpatient Hospital Care	\$250 per day to out-of-pocket maximum \$3,350
Hospital Emergency	\$50 co-payment if not admitted within 24 hours.
Office Visits/Routine Physicals	\$10 co-payment for primary care physicians. \$20 for specialists
X-Rays/Diagnostic Tests/Lab Services	\$15 for x-rays. 20% coinsurance for other services.
Ambulance Services	\$175 co-payment per one-way trip.
Durable Medical Equipment	20% co-insurance for cost of each Medicare-covered item.
Skilled Nursing Facility	\$140 per day to out-of-pocket maximum of \$3,350.
Hearing/Eye Exams	See below
Prescription Drugs	No coverage.

Note: UnitedHealthcare of New England, Inc. offers a policy rider which includes benefits for eyewear, hearing aids, and dental care for a premium of \$38 per month.

RHODE ISLAND MEDICARE MANAGED CARE PLANS-2007

UnitedHealthcare of New England, Inc.

475 Kilvert Street

Warwick, RI 02886

401-737-6900

1-800-962-8251 (Sales/Enrollment)

1-800-685-8480 (TTY)

AARP Medicare Complete Rx by UnitedHealthcare

Premium: \$0. You continue to pay \$93.50 per month for Medicare Part B premium.

Benefit	Consumer Costs
Inpatient Hospital Care	\$250 per day for days 1-16. \$0 for days 17-90. Total out-of-pocket annual of to out-pocket maximum of \$3,950.
Hospital Emergency	\$50 co-payment if not admitted within 24 hours.
Office Visits/Routine Physicals	\$10 co-payment for primary care physicians. \$20 for specialists
X-Rays/Diagnostic Tests/Lab Services	\$13 for x-rays. 20% coinsurance for other services.
Ambulance Services	\$175 co-payment.
Durable Medical Equipment	20% coinsurance for cost of each Medicare-covered item.
Skilled Nursing Facility	\$140 per day to a maximum of \$3,950
Hearing/Eye Exams	Hearing-\$15.
Prescription Drugs	Tier 1 generic-\$4 Tier 2 preferred-\$28 Tier 3 non-preferred brand-\$58 Tier 4 specialty-33% coinsurance. After your yearly drug costs reach \$2,400, you pay 100% of your drug costs. No coverage in gap.

Note: UnitedHealthcare of New England, Inc. offers a policy rider which includes benefits for eyewear, hearing aids, and dental care for a premium of \$38 per month.

PREFERRED PROVIDER ORGANIZATIONS

Preferred Provider Plans (PPOs) offer subscribers a chance to expand their access to alternatives to traditional Medicare fee-for-service plans. A PPO functions much like a Medicare managed care plan. A PPO has a network of providers that have agreed to provide services at a negotiated fee. A PPO charges members lower co-payments and coinsurance for in-network providers. The most important difference is that a PPO provides coverage for services outside the network at higher co-payments or coinsurance.

Secure Horizons Medicare Complete Choice from United Healthcare

Premium: \$27. You continue to pay \$93.50 per month for Medicare Part B premium.

Inpatient Hospital Care	\$280 per day for days 1-14 and \$0 for days 15-90 per year. You pay 30% of the cost for each stay at an out-of-network hospital.
Hospital Emergency	\$50 co-payment if not admitted within 24 hours.
Office Visits/Routine Physicals	\$10 co-payment for primary care physicians. 30% co-payment for an out-of-network primary care doctor. \$20 for specialists. 30% co-payment for network specialist.
X-Rays/Diagnostic Tests/Lab Services	No co-payment for flat film x-rays and 25% co-payment for other radiological services such as MRI or CAT scan. 30% co-payment –network services.
Ambulance Services	\$100 co-payment per one-way trip.
Durable Medical Equipment	20% co-insurance for cost of each Medicare-covered item. 30% co-payment for out-of-network suppliers.
Skilled Nursing Facility	\$140 per day for days 1-32. \$0 co-payment for days 33-100. 30% co-payment for out-of-network facilities.
Hearing/Eye Exams	\$20 co-payment. 30% co-payment for out-of-network services.
Prescription Drugs	Tier 1 generic-\$4 Tier 2 preferred-\$28 Tier 3 non-preferred brand-\$58 Tier 4 specialty-33% coinsurance. After your yearly drug costs reach \$2,400 , you pay 100% of your drug costs. After your yearly out-of-pocket costs reach \$3,8500, you pay the greater of \$3.10 for generic or preferred brand name drug that is a multi-source drug and \$.25 for all other drugs or 5% coinsurance.
Annual Out-of-Pocket	\$3,800. Out-of-network not available.

Note: This plan is not available to residents of Newport County.

Special Health Plan for Persons with Medicare and Medicaid
Evercare New England
275 Grove Street
Auburndale, MA 02466 1-800-393-0939
1-888-685-8480 (TTY)

Plan Premium: \$25.10

- Enhanced benefits for Medicaid beneficiaries who are Rhode Island residents.
- Extensive provider network.

In-Hospital Benefit:

- \$75 per day for days 1-17. \$0 for days 18-90.

Hospital Emergency:

- \$35 co-payment. Co-payment waived if admitted within 24 hours.

Office Visit:

- \$0 for primary care physician. \$25 co-payment for specialists.

Unlimited Prescription Coverage:

- No deductible. Co-payments of \$2.15 or \$5.35, depending on income.

Annual Hearing/Eye Exams:

- \$0 co-payment. \$100 limit towards eyeglasses or contact every two years. \$600 limit for hearing aids every two years.

Enhanced Services (All with no co-payment or deductible):

- Catalogue benefit- monthly allowance of \$25 can be carried forward for a total of \$300 per year in catalogue purchases.
- Personal Care Manager who coordinates all aspects of care with primary care physicians and other members of the health care team.
- 24 one-way trips to plan-approved locations (medical or non-medical).every year.
- 24-hour telephone access to nurse.
- \$10 co-payment for podiatry services.
- Home health care.
- Access to United Touch, a toll-free “800” line providing information on programs and services for low-income individuals.
- Waiver of the three-night hospital stay to begin Medicare Part A benefits.

PRESCRIPTION DRUG PROGRAMS

RHODE ISLAND PHARMACEUTICAL ASSISTANCE TO THE ELDERLY

The **Rhode Island Pharmaceutical Assistance to the Elderly (RIPAE)** program pays a portion of the cost of “Category A” prescriptions used to treat Alzheimer’s disease, arthritis, diabetes (including insulin and syringes for insulin injections), heart problems, depression, anti-infectives, Parkinson’s disease, high blood pressure, cancer, urinary incontinence, circulatory insufficiency, high cholesterol, asthma and chronic respiratory conditions, osteoporosis, glaucoma, and prescription vitamins and mineral supplements for renal patients for eligible Rhode Island residents 65 and older. Also, limited allocation has been added to RIPAE to help cover the cost of injectible prescription drugs used to treat Multiple Sclerosis.

As of July 1, 2007, individuals with an annual income up to \$19,341 and married couples with a combined annual income of up to \$24,179 receive a 60% discount.

Individuals with an annual income of up to \$24,280 and married couples with a combined annual income of up to \$30,352 receive a 30% discount.

Individuals with an annual income up to \$42,493 and married couples with a combined income not exceeding \$48,563 receive a 15% discount.

RIPAE enrollees can purchase all other FDA-approved “Category B” prescriptions (except for those used to treat cosmetic conditions) at the RIPAE-discounted price. There is no state co-payment for the medications purchased in this category.

Also under RIPAE, Rhode Island residents between 55 and 64 who are receiving Social Security Disability Income (SSDI) payments and who meet specified income limits, can purchase “Category A” medications at 85% of the RIPAE-discounted price. Other FDA-approved “Category B” medications (except those prescribed for cosmetic conditions) can be purchased at the RIPAE-discounted price. There is no state co-payment for these medications. The annual income limits for those receiving SSDI are \$42,493 for a single person and \$48,563 for a married couple.

For RIPAE information, call the DEA Customer Information Referral and Assistance Center at **462-4000 (Voice)** or **462-0740 (TTY)**.

The **Pharmaceutical Research and Manufacturers of America (PhRMA)** have set up a call center and web site to help low-income Rhode Islanders get obtain free or reduced-cost drugs. The number for the PhRMA call center is **1-877-743-6779**. The web site is www.RxforRI.org.

The **URI Pharmacy Outreach Program** assists Rhode Island residents regarding the availability of free or low cost medications through the Medication for the Needy Program. The Outreach Program also provides educational seminars, health screens, and discussion groups on health related topics. Call to schedule a program. The URI Medication Information Line provides information on the use of prescription medications. Pharmacists can answer medication questions. For URI programs, call **1-800-215-9001**.

PRESCRIPTION DRUG PROGRAMS

MEDICARE PRESCRIPTION DRUG PLANS (MEDICARE PART D)

Beginning January 1, 2006, new federal **Medicare** prescription drug plans (**Medicare Part D**) became available to 41 million **Medicare** beneficiaries, including 176,000 in Rhode Island. The prescription drug insurance program was part of the **Medicare Modernization Act of 2003** and is one of the most significant changes in **Medicare** since its inception in 1965.

Part D insurance plans are available to all **Medicare** beneficiaries. For a monthly plan premium, as well as specified plan deductibles, co-payments, and coverage gaps, if applicable, coverage is offered for both generic and brand name medications.

Medicare beneficiaries can choose from an extensive set of plan options offered by several prescription drug insurance organizations.

Assistance in paying plan premiums and other expenses (**Extra Help**) may be available for beneficiaries with limited incomes and resources.

For information, contact **Social Security** at **1-800-772-1213 (Voice)**, **1-800-325-0778 (TTY)**, or go to **www.ssa.gov**.

For information on exploring **Medicare Part D** plan options, call **1-800-633-4227 (Voice)**, **1-877-486-2048 (TTY)**, or go to **www.medicare.gov**.

For individual counseling regarding **Medicare Part D** plans, please make an appointment with the health insurance counselor in your area. Please refer to the **Senior Health Insurance Program (SHIP)** section of this booklet.

For additional information, call **THE POINT** at **462-4444 (Voice)**, **426-0740 (TTY)**, or go to **www.ThePointRI.org**.